

**UNITED STATES DISTRICT COURT
FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA,
Plaintiff

vs.

JOSEPH M. ROSS a/k/a JOSEPH ROSS,
Defendant

CIVIL NO. 15-03980

AMENDED COMPLAINT

The United States of America, on behalf of its Agency, the Department of Education, by its specially appointed counsel, Thomas I. Puleo, Esquire, KML LAW GROUP, P.C., represents as follows:

1. This Court has jurisdiction pursuant to 28 U.S.C. Section 1345.
2. The last-known address of the Defendant, JOSEPH M. ROSS a/k/a JOSEPH ROSS ("Defendants") is 1024 Catharine Street, Philadelphia, PA 19147.

COUNT I

3. On or about March 3, 1998, Defendant executed a promissory note to secure a loan in the amount of \$2,625.00 from PNC Bank, guaranteed by the Pennsylvania Higher Education Assistance Agency, and reinsured by the United states Department of Education under the loan guaranty program authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. Section 1071 *et seq.* A true and correct copy of the promissory note is attached hereto as Exhibit "A".

4. Defendant is indebted to Plaintiff in principal amount of \$2,839.90, plus interest of \$1,641.36, for a total of \$4,481.26. A true and correct copy of the Certificate of Indebtedness is attached as Exhibit "B" ("Certificate of Indebtedness").

5. Demand has been made upon Defendant by Plaintiff for the sum due but the amount due remains unpaid.

WHEREFORE, the plaintiff demands judgment against Defendant in the amount of \$4,481.26, plus filing fees allowed pursuant to 28 U.S.C. Section 1914 in the sum of \$150.00, interest from the date of judgment at the legal rate of interest in effect on the date of judgment until paid in full, and costs of suit.

COUNT II

6. On or about May 19, 1998, Defendant executed a promissory note to secure a loan in the amount of \$5,500.00 from PNC Bank, guaranteed by the Pennsylvania Higher Education Assistance Agency, and reinsured by the United States Department of Education under the loan guaranty program authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. Section 1071 *et seq.* A true and correct copy of the promissory note is attached hereto as Exhibit "C".

7. Defendant is indebted to Plaintiff in principal amount of \$2,840.22, plus interest of \$1,958.71, for a total of \$4,798.93. A true and correct copy of the Certificate of Indebtedness is attached as Exhibit "D" ("Certificate of Indebtedness").

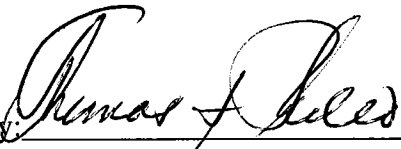
8. Demand has been made upon Defendant by Plaintiff for the sum due but the amount due remains unpaid.

WHEREFORE, the plaintiff demands judgment against Defendant in the amount of \$4,798.93, plus filing fees allowed pursuant to 28 U.S.C. Section 1914 in the sum of

\$150.00, interest from the date of judgment at the legal rate of interest in effect on the date of judgment until paid in full, and costs of suit.

Notice is hereby given to Defendant that Plaintiff intends to seek satisfaction of any judgment rendered in its favor in this action from any debt accruing.

United States of America by and through
its specially appointed counsel
KML Law Group, P.C.

By: _____

Thomas I. Puleo, Esquire
BNY Independence Center
701 Market Street
Suite 5000
Philadelphia, PA 19106-1532
(215)825-6309
TPuleo@kmlawgroup.com

Application and Promissory Note for Federal Stafford Loans (subsidized and unsubsidized)

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to penalties which may include fines or imprisonment under the United States Criminal Code and 20 U.S.C. 1097. OMB No. 1840-0717 Form Approved Exp. Date 03/31/99

Guarantor or Program Identification

PHEAA 11-00307
US/12/98
Pennsylvania Higher Education Assistance Agency
Telephone Number: 1-800-802-7302

L009

PAFSAN

573777

Borrower Section

1. & 2. Borrower Name and Address

JOSEPH M. ROSS
1024 CATHERINE STREET
PHILADELPHIA PA 19147

4. Telephone Number

5. Driver's License Number (List State and Expiration Date)

2. Social Security Number

6. Loan Period (Month/Year)

From 9/98 To 5/19

7. Lender Name

PNC BANK Pittsburgh PA 15222

ZZ - NOT APPLICABLE

8. Lender Code, if known

9. Date of Birth (Month/Day/Year)

10. References: You must provide two separate references with different U.S. addresses. The first reference should be a parent or legal guardian (if living). Both references must be completed fully.

Name

Permanent Address

City, State, Zip Code

Area Code/Telephone

Relationship to Borrower

1. BEVERLY ROSS
1024 CATHERINE ST.
PHILA. PA. 19147
(215) 922-8252
MOTHER

2. STEPHANIE PEPPLES
750 SO. MARVINE ST.
PHILA. PA. 19147
(215) 627-1668
GRAND MOTHER

Loan Assistance Requested

11. I request the following loan type(s), to the extent I am eligible (see instructions):

12. I request a total amount under these loan types not to exceed (see instructions for loan maximums): My school will certify my eligibility for each loan type for which I am applying. The amount and other details of my loan(s) will be described to me in a disclosure statement.

13. If I check yes, I am requesting postponement (deferment) of repayment for my Stafford and prior SLS loan(s) during the in-school and grace periods. If I check no, I do not want to defer repayment.

14. If I check yes, I am requesting that the lender add the interest on my unsubsidized Stafford and prior SLS loan(s) which accrues during the in-school and deferment periods, to my loan principal (capitalization). If I check no, I prefer to pay the interest.

15. If my school participates in electronic funds transfer (EFT), I authorize the school to transfer the loan proceeds received by EFT to my student account.

☒ a. Subsidized Federal Stafford

☒ b. Unsubsidized Federal Staff

\$ 5,500 .00

☐ a. Yes, I want a deferment

☐ b. No, I do not want a deferment

☒ a. Yes, I want my interest capitalized

☐ b. No, I prefer to pay the interest

☒ a. Yes, transfer funds

☐ b. No, do not transfer funds

Promissory Note

Promise to Pay: I promise to pay to the lender, or a subsequent holder of this Promissory Note, all sums disbursed (hereafter "loan" or "loans") under the terms of this Note, plus interest and fees which may become due as provided in this Note. If I fail to make payments on this Note when due, I will also pay reasonable collection costs, including attorney's fees, court costs, and ex fees. I understand I may cancel or reduce the size of any loan by refusing to accept any disbursement that is issued. I understand that this is a Promissory Note. I will not sign this Note before reading it, including the writing on the reverse side, even if otherwise advised. I am entitled to an exact copy of this Promissory Note and the Borrower's Rights and Responsibilities. My signature certifies I have read, understand, and agree to the terms and conditions of the Application and Promissory Note, including the Borrower Certification and Authorization printed on the reverse side the accompanying Borrower's Rights and Responsibilities statement.

THIS IS A LOAN(S) THAT MUST BE REPAYED.

16. Borrower's Signature Joseph Ross

Today's Date (Month/Day/Year)

5/19/98

PEIRCE COLL
1420 PINE ST
PHILADELPHIA

00330900

PA 19102

Dear Student: This is the Federal Stafford Loan Application you requested. Please complete the item(s) whose number(s) are printed at the end of this paragraph, and place your signature and today's date in Item 16. Keep the last copy (Borrower Copy) of this form and mail the other two copies to the lender. Item(s): 05, 07, 08, 10, 11, 12, 13, 14, 15, 16.

Lender Section

31. Lender Name and Address

PNC EDUCATION LOAN CTR
P.O. BOX 5177
HARRISBURG PA 17105

32. Lender Code/Branch

809921

33. Amount(s) Approved

a. Subsidized \$

b. Signature of Authorized Lending Official

AFSA-CSIC

JUN 19 1998

REC'D UT# 108

To be completed by an authorized lending official

34. Lender Use Only

B28900 (1)

Print or Type Name, Title, and Date

1/31/94

LENDER C

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EXHIBIT

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"I declare under penalty of perjury that the foregoing
is a true and correct copy of the promissory note."

Signature: Todd Meeks

Title: Vice President
Loan Assets Management

Date: May 29, 2008

FOR VALUE RECEIVED, WE HEREBY ASSIGN ALL RIGHT TITLE AND INTEREST IN THIS PROMISSARY NOTE TO THE PENNSYLVANIA
HIGHER EDUCATION ASSISTANCE AGENCY (PHEAA)

Student loan funding FB.
LENDER'S NAME

227 27TH STREET, LONG BEACH, CA 90810

Carol Henderson
SIGNATURE

JUN 08 2001

DATE

I certify, under penalty of perjury, that
this document is a true and exact copy
of the original.

Linda Anderson 5-29-01
(Signature) (Date)

claims examiner
(Title)

Application and Promissory Note for Federal Stafford Loans (subsidized and unsubsidized)

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to penalties which may include fines or imprisonment under the United States Criminal Code and 20 U.S.C. 1097.

Guarantor or Program Identification

PHEAA

Creating Access to Education
Pennsylvania Higher Education
Assistance Agency

573777

Telephone Number: 1-800-892-7392

Borrower Section

Please print neatly or type. Read the instructions carefully.

1. Last Name Ross	First Name Joseph	MI M	2. Social Security Number [REDACTED]															
3. Permanent Street Address (If P.O. Box, see instructions) 1024 Catherine St PA 19147		4. Telephone Number [REDACTED]	5. Loan Period (Month/Year) From 3/98 To 5/98															
City Phila	State PA	Zip Code 19147	6. Driver's License Number (List state abbreviation first) NO LIC															
7. Lender Name PNC Bank	City Harrisburg	State PA	8. Lender Code, if known 809921															
10. References: You must provide two separate references with different U.S. addresses. The first reference should be a parent or legal guardian (if living). Both references must be completed fully.																		
<table border="0"> <tr> <td>Name</td> <td>1. Joseph H. Ross Jr.</td> <td>2. Stephen A. People's</td> </tr> <tr> <td>Permanent Address</td> <td>1024 Catherine St</td> <td>785 S. MARGINE ST.</td> </tr> <tr> <td>City, State, Zip Code</td> <td>Phila. PA 19147</td> <td>Phila. PA 19147</td> </tr> <tr> <td>Area Code/Telephone</td> <td>(215) 922-8252</td> <td>(215) 856-637-1408</td> </tr> <tr> <td>Relationship to Borrower</td> <td>Father</td> <td>Uncle</td> </tr> </table>				Name	1. Joseph H. Ross Jr.	2. Stephen A. People's	Permanent Address	1024 Catherine St	785 S. MARGINE ST.	City, State, Zip Code	Phila. PA 19147	Phila. PA 19147	Area Code/Telephone	(215) 922-8252	(215) 856-637-1408	Relationship to Borrower	Father	Uncle
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Area Code/Telephone	(215) 922-8252	(215) 856-637-1408																
Relationship to Borrower	Father	Uncle																

Loan Assistance Requested

11. I request the following loan type(s), to the extent I am eligible (see instructions): ☒ a. Subsidized Federal Stafford ☐ b. Unsubsidized Federal Stafford
12. I request a total amount under these loan types not to exceed (see instructions for loan maximums). My school will certify my eligibility for each loan type for which I am applying. The amount and other details of my loan(s) will be described to me in a disclosure statement. **\$ 2625.00**
13. If I check yes, I am requesting postponement (deferment) of repayment for my Stafford and prior SLS loan(s) during the in-school and grace periods. If I check no, I do not want to defer repayment. ☒ a. Yes, I want a deferment ☐ b. No, I do not want a deferment
14. If I check yes, I am requesting that the lender add the interest on my unsubsidized Stafford and prior SLS loan(s) which accrues during the in-school and deferment periods, to my loan principal (capitalization). If I check no, I prefer to pay the interest. ☐ a. Yes, I want my interest capitalized ☒ b. No, I prefer to pay the interest
15. If my school participates in electronic funds transfer (EFT), I authorize the school to transfer the loan proceeds received by EFT to my student account. ☒ a. Yes, transfer funds ☐ b. No, do not transfer funds

Promissory Note

Promise to Pay: I promise to pay to the lender, or a subsequent holder of this Promissory Note, all sums disbursed (hereafter "loan" or "loans") under the terms of this Note, plus interest and other fees which may become due as provided in this Note. If I fail to make payments on this Note when due, I will also pay reasonable collection costs, including attorney's fees, court costs, and collection fees. I understand I may cancel or reduce the size of any loan by refusing to accept any disbursement that is issued. I understand that this is a Promissory Note. I will not sign this Note before reading it, including the writing on the reverse side, even if otherwise advised. I am entitled to an original copy of this Note. My signature certifies I have read, understand, and agree to the terms and conditions of this Application and the accompanying Borrower's Rights and Responsibilities statement.

THIS IS A LOAN(S) THAT MUST BE repaid.

16. Borrower's Signature **Joseph Ross**

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Continued on the reverse side.
over Certification and Authorization printed on the reverse side and

Today's Date (Month/Day/Year) **3/3/98**

School Section

To be completed by an authorized school official.

17. School Name Peirce College	23. School Code/Branch 003309	28. Telephone Number 215 545-6400
18. Street Address 1420 Pine Street	24. Cost of Attendance \$.00	29. Recommended Disbursement Date(s) (Month/Day/Year)
City Philadelphia, PA	25. Federal Expected Family Contribution \$.00	1st 2nd
State PA	26. Estimated Financial Aid \$.00	3rd 4th
Zip Code 19102	27. (Certified Loan Amounts)	30. School Certification (See box on the reverse side.)
19. Loan Period (Month/Day/Year) From To 	a. Subsidized \$.00	Signature of Authorized School Official
20. Grade Level 	b. Unsubsidized \$.00	Print or Type Name and Title
21. Enrollment Status (Check one.) <input type="checkbox"/> Full Time <input type="checkbox"/> At Least Half Time		Date
22. Anticipated Completion (Graduation) Date (Month/Day/Year)		Check box if electronically transmitted to guarantor <input type="checkbox"/>

Lender Section

To be completed by an authorized lending official.

31. Lender Name PNC Education Loan Center	32. Lender Code/Branch 809921	33. Telephone Number AFSA-ESIC	34. Lender Use Only B28900
Street Address P.O. Box 8175	35. Amount(s) Approved a. Subsidized \$.00 b. Unsubsidized \$.00	MAR 20 1998	
City Harrisburg	36. Signature of Authorized Lending Official REC'D UT #12	Date	
State PA			
Zip Code 17105			

EXHIBIT

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"I declare under penalty of perjury that the foregoing
is a true and correct copy of the promissory note."

Signature: Tedd Alaska

Title: Vice President
Loan Assets Management

Date: May 29, 2008

FOR VALUE RECEIVED, WE HEREBY ASSIGN ALL RIGHT, TITLE AND INTEREST IN THIS PROMISSORY NOTE TO THE PENNSYLVANIA
HIGHER EDUCATION ASSISTANCE AGENCY (PHEAA)

Student loan Funding, FB.
LENDER'S NAME

2277 E 220TH STREET, LONG BEACH CA 90810

Carol Henderson
SIGNATURE

JUN 08 2001

DATE

I certify, under penalty of perjury, that
this document is a true and exact copy
of the original.

Tuska Swanson 5-29-01
(Signature) (Date)

Claims Examiner
(Title)

**U. S. DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA**

CERTIFICATE OF INDEBTEDNESS #1 OF 2

Joseph M. Ross aka Joseph Ross
1024 Catharine Street
Philadelphia, PA 19147-2737
Account No. XXXXX1075

I certify that U.S. Department of Education records show that the BORROWER named above is indebted to the United States in the amount stated below plus additional interest from 06/11/2015.

On or about 03/03/1998, the BORROWER executed promissory note(s) to secure loan(s) of \$2,625.00 from PNC Bank (Harrisburg, PA). This loan was disbursed for \$2,625.00 on 10/16/1998 through 01/06/1999 at a variable rate of interest to be established annually by the Department of Education. The loan obligation was guaranteed by Pennsylvania Higher Education Assistance Agency, and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 C.F.R. Part 682). The holder demanded payment according to the terms of the note, and credited \$0.00 to the outstanding principal owed on the loan. The BORROWER defaulted on the obligation on 04/10/2001, and the holder filed a claim on the loan guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,839.90 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. Pursuant to 34 C.F.R. § 682.410(b)(4), once the guarantor pays on a default claim, the entire amount paid becomes due to the guarantor as principal. The guarantor attempted to collect this debt from the BORROWER. The guarantor was unable to collect the full amount due, and on 06/23/2008, assigned its right and title to the loan to the Department.

Since assignment of the loan, the Department has credited a total of \$0.00 in payments from all sources, including Treasury Department offsets, if any, to the balance. After application of these payments, the BORROWER now owes the United States the following:

Principal: \$2,839.90

Interest: \$1,641.36

Total debt as of 06/11/2015: \$4,481.26

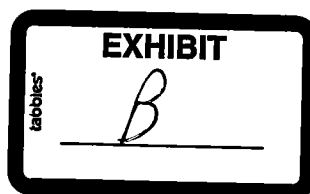
Interest accrues on the principal shown here at the current rate of 2.33% and a daily rate of \$0.18 through June 30, 2015, and thereafter at such rate as the Department establishes pursuant to section 427A of the Higher Education Act of 1965, as amended, 20 U.S.C. 1077a.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 01/23/10

Said Moad

Loan Analyst
Litigation Support Unit



**U. S. DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA**

CERTIFICATE OF INDEBTEDNESS #2 OF 2

Joseph M. Ross aka Joseph Ross
1024 Catharine Street
Philadelphia, PA 19147-2737
Account No. XXXXX1075

I certify that U.S. Department of Education records show that the BORROWER named above is indebted to the United States in the amount stated below plus additional interest from 06/11/2015.

On or about 05/19/1998, the BORROWER executed promissory note(s) to secure loan(s) of \$5,500.00 from PNC Bank (Pittsburg, PA). This loan was disbursed for \$2,625.00 on 04/02/1998 through 04/10/1998 at a variable rate of interest to be established annually by the Department of Education. The loan obligation was guaranteed by Pennsylvania Higher Education Assistance Agency, and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 C.F.R. Part 682). The holder demanded payment according to the terms of the note, and credited \$0.00 to the outstanding principal owed on the loan. The BORROWER defaulted on the obligation on 04/10/2001, and the holder filed a claim on the loan guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,840.22 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. Pursuant to 34 C.F.R. § 682.410(b)(4), once the guarantor pays on a default claim, the entire amount paid becomes due to the guarantor as principal. The guarantor attempted to collect this debt from the BORROWER. The guarantor was unable to collect the full amount due, and on 06/23/2008, assigned its right and title to the loan to the Department.

Since assignment of the loan, the Department has credited a total of \$0.00 in payments from all sources, including Treasury Department offsets, if any, to the balance. After application of these payments, the BORROWER now owes the United States the following:

Principal:	\$2,840.22
Interest:	\$1,958.71
Total debt as of 06/11/2015:	\$4,798.93

Interest accrues on the principal shown here at the current rate of 3.13% and a daily rate of \$0.24 through June 30, 2015, and thereafter at such rate as the Department establishes pursuant to section 427A of the Higher Education Act of 1965, as amended, 20 U.S.C. 1077a.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 06/23/15

Sonia Moate

Loan Analyst
Investigation Support Unit

